

Exhibit C
[Sixth Monthly Fee Application]

September 1, 2001 – September 30, 2001

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
W.R. Grace & Co., <u>et al.</u>	Case No. 01-01139 (JJF)
Debtors.	Jointly Administered

**SIXTH APPLICATION OF STROOCK & STROOCK & LAVAN LLP
FOR COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD
FROM SEPTEMBER 1, 2001 THROUGH SEPTEMBER 30, 2001**

Name of Applicant	Stroock & Stroock & Lavan LLP
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention:	April 12, 2001
Period for which compensation and reimbursement is sought	September 1, 2001 – September 30, 2001
Amount of Compensation sought as actual, reasonable and necessary:	\$58,742.00
Amount of Expense Reimbursement sought as actual reasonable and necessary:	\$6,801.32

This is an: ☒ interim ☐ final application

The total time expended for fee application preparation is approximately 15.9 hours and the corresponding compensation requested is approximately \$4,146.50.¹

This is the sixth application filed

¹ This is Stroock's Sixth Fee Application. Time expended for the preparation of this Fee Application will be reflected in the next Fee Application.

Attachment A**Monthly Interim Fee Applications**

		Requested		Approved for Payment	
Date Filed	Period Covered	Fees	Expenses	Fees	Expenses
May 30, 2001	4/12/01-4/30/01	\$138,926.00	\$1,975.13	\$111,140.80	\$1,975.13
July 2, 2001	5/1/01 – 5/31/01	\$139,928.75	\$6,884.73	\$111,943.00	\$6,884.73
July 30, 2001	6/1/01 – 6/30/01	\$91,019.00	\$10,458.14	\$72,815.20	\$10,458.14
August 31, 2001	7/1/01-7/31/01	\$92,308.00	\$5,144.37	\$73,846.40	\$5,144.37
October 2, 2001	8/1/01 8/31/01	\$53,873.50	\$3,069.88	\$43,098.80	\$3,069.88

Quarterly Fee Applications

		Requested		Approved	
Date Filed	Period Covered	Fees	Expenses	Fees	Expenses
July 30, 2001	4/12/01-6/30/01	\$369,873.75	\$19,318.00	As of the date of this Application the hearing to approve compensation has not been determined	

W R GRACE & COMPANY				
ATTACHMENT B				
THROUGH SEPTEMBER 30, 2001				
				# of Years in
<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	<u>Position</u>
PARTNERS				
Greenberg, Mayer	1.0	500	500.00	2
Kruger, Lewis	4.1	650	2,665.00	36
Levy, Mark	13.3	615	8,179.50	27
Pasquale, Kenneth	6.4	475	3,040.00	2
Raskin, Robert	10.2	550	5,610.00	8
ASSOCIATES				
Krieger, Arlene	72.7	425	30,897.50	17
Sasson, Moshe	2.9	360	1,044.00	7
Taruschio Anna	18.8	245	4,606.00	3
PARAPROFESSIONALS				
Defreitas, Vaughn	1.6	100	160.00	10
Serrette, Rosemarie	13.6	150	2,040.00	13
Total	144.6		\$ 58,742.00	
Blended Rate		406.2		

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
W. R. GRACE & CO., <u>et al.</u> ¹)	Case No. 01-01139 (JJF)
)	
Debtors.)	Jointly Administered

**SIXTH FEE APPLICATION BY STROOCK & STROOCK & LAVAN LLP, COUNSEL
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF
W. R. GRACE & CO., ET AL., FOR INTERIM COMPENSATION AND FOR
REIMBURSEMENT OF EXPENSES FOR SERVICES RENDERED DURING
THE PERIOD FROM SEPTEMBER 1, 2001 THROUGH SEPTEMBER 30, 2001**

Stroock & Stroock & Lavan LLP (“Stroock” or “Applicant”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of W. R. Grace & Co. (“Grace”) and its sixty-one domestic subsidiaries and affiliates that are debtors and debtors-in-possession (the “Debtors”) in this Court, for its application pursuant to 11 U.S.C. §§ 330 and 331 and in

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

accordance with the Administrative Fee Order (defined below) for a sixth interim allowance of compensation for services rendered and for reimbursement of expenses incurred in connection therewith, respectfully represents as follows:

I. INTRODUCTION

1. By this application, Stroock seeks (i) an interim allowance of compensation for the professional services rendered by Stroock as counsel for the Committee for the period from September 1, 2001 through September 30, 2001 (the "Sixth Monthly Period") in the aggregate amount of \$58,742.00, representing 129.4 hours of professional services and 15.2 hours of paraprofessional services; and (ii) reimbursement of actual and necessary expenses incurred by Stroock during the Sixth Monthly Period in connection with the rendition of such professional services and paraprofessional services in the aggregate amount of \$6,801.32.

2. Venue of this proceeding and this application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are 11 U.S.C. §§ 330 and 331 and Federal Rules of Bankruptcy Procedure 2002(a) and 2016.

II. BACKGROUND

3. On April 2, 2001 (the "Petition Date"), each of the Debtors filed voluntary petitions for reorganization under chapter 11 of the Bankruptcy Code and have continued in the management and operation of their businesses and property pursuant to §§ 1107 and 1108 of the Bankruptcy Code. Pursuant to an order of the Court, the Debtors' Chapter 11 cases have been procedurally consolidated and are being jointly administered.

4. The Debtors operate a world-wide specialty chemicals and materials business and employ approximately 3860 full and part-time employees. On a consolidated basis, for the fiscal

year 2000, Grace reported a net loss of \$89.7 million² from \$1.59 billion in net revenues. The Debtors' bankruptcy filings report that in fiscal year 2000, on a consolidated basis, Grace's sales are generated approximately 50% by the Debtors and 50% by the Debtors' non-debtor subsidiaries and affiliates.

5. On April 12, 2001, the United States Trustee formed the Committee. During the first meeting of the Committee on April 12, 2001, the Committee duly selected Stroock as its counsel to represent the Committee in all matters during the pendency of the Debtors' Chapter 11 cases. The Committee thereafter approved the retention of Duane, Morris & Heckscher LLP ("DM&H") as its local Delaware counsel.

6. The United States Trustee also appointed two separate official committees to represent the interests of claimants asserting asbestos-related personal injury claims and asbestos-related property damage claims against the Debtors (collectively, the "Asbestos Claim Committees"). On June 18, 2001, the United States Trustee appointed an official committee to represent the interests of equity security holders of the Debtors.

7. By application dated May 1, 2001, Stroock sought Court approval for its retention as counsel to the Committee nunc pro tunc to April 12, 2001. The Court signed an order approving Stroock's retention as counsel to the Committee on May 30, 2001.

8. This is the sixth application Stroock has filed with the Court for an allowance of compensation and reimbursement of expenses for services rendered to the Committee. This application is submitted pursuant to the terms of the Administrative Order Under §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for

² The Debtors' pleadings further report that this net loss results in part from a \$294.0 million asbestos-related charge to earnings recorded in the fourth quarter of 2000.

Professionals and Official Committee Members, approved by the Court on May 3, 2001 (the "Administrative Fee Order").

9. In accordance with the procedures established by the Administrative Fee Order, Stroock has received payment from the Debtors in the aggregate amount of \$314,817.50 representing 80% of the fees and 100% of the expenses sought in the first, second and third monthly applications covering the period from April 12, 2001 through June 30, 2001. Other than those payments, applicant has received no payment and no promises for payment from any source for services rendered in connection with these cases. There is no agreement or understanding between the Applicant and any other person (other than members of Stroock) for the sharing of compensation to be received for the services rendered in these cases.

10. As stated in the Affidavit of Lewis Kruger, Esq. annexed hereto as Exhibit "A," all of the services for which interim compensation is sought herein were rendered for and on behalf of the Committee solely in connection with these cases.

III. SUMMARY OF SERVICES RENDERED

11. Since being retained by the Committee, Stroock has rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of the unsecured creditors of the Debtors' estates. The variety and complexity of these cases and the need to act or respond on an expedited basis in furtherance of the Committee's needs have required the expenditure of substantial time by personnel from several legal disciplines, on an as-needed basis, including in certain instances, working into the evening and on weekends.

12. Stroock maintains written records of the time expended by attorneys and paraprofessionals in the rendition of their professional services to the Committee. Such time records were made contemporaneously with the rendition of services by the person rendering

such services and in the ordinary course of Stroock's practice, and are presented in compliance with Delaware Local Rule 2016-2(d) amended effective as of February 1, 2001. A compilation showing the name of the attorney or paraprofessional, the date on which the services were performed, a description of the services rendered, and the amount of time spent in performing the services during the Sixth Monthly Period is annexed hereto as Exhibit "B". In addition, Exhibit "C" hereto contains a summary of the hours expended by each of the attorneys and paraprofessionals during the Sixth Monthly Period, their normal hourly rates, and the value of their services.

13. Stroock also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services, all of which are also available for inspection. A schedule of the categories of expenses and amounts for which reimbursement is requested is annexed hereto as Exhibit "D". Also included within Exhibit "D" is an itemization of each expense incurred within each category.

14. Stroock respectfully submits that the professional services that it rendered on behalf of the Committee were necessary and have directly benefited the creditor constituents represented by the Committee and have contributed to the effective administration of these cases.

15. The following summary of the services rendered during the Sixth Monthly Period is not intended to be a detailed description of the work performed, as those day-to-day services and the time expended in performing such services are fully set forth in Exhibit "B". Rather, it is merely an attempt to highlight certain of these areas in which services were rendered to the Committee, as well as to identify some of the problems and issues to which Stroock was required to direct its attention.

(i) Case Administration/General – Category 0002

16. During the Sixth Monthly Period, Stroock continued to closely monitor the items on the Court's docket for these cases to ensure that the Committee was fully informed about all pending matters and that Stroock would be ready to timely respond on behalf of the Committee, as might be applicable, continued to engage Debtors' counsel on an on-going basis with respect to pending matters, and responded to creditor inquiries.

17. Stroock has expended 12.6 hours on this category for a fee of \$3,465.00.

(ii) Fee Application/Monthly Billing Reports -- Category 0003

18. During the Sixth Monthly Period, Stroock prepared its Fifth Fee Application including a narrative section summarizing the services rendered during that period by Stroock and compiled and attached expense schedules.

19. Stroock has expended 15.9 hours on this category for a fee of \$4,146.50.

(iii) Review of Other Professionals Fee Applications – Category 0004

20. During the Sixth Monthly Period, Stroock reviewed recently filed fee applications including those involving Tersigni and the Pitney Hardin firm. Stroock has expended 2.3 hours on this category for a fee of \$785.00.

(iv) Asbestos Litigation – Category 0005

21. The Debtors state that their Chapter 11 filings were precipitated by a substantial and unexpected increase in the number of asbestos cases filed against the Debtors, as well as the recent commencement of cases asserting new theories of asbestos-related liability against them. Given the fundamental importance of the asbestos claims-related matters to these cases, Stroock attorneys continued, during the Sixth Monthly Period, to thoroughly review the various pleadings filed both by and against the Debtors in these Chapter 11 cases, including those which may

impact on the conduct of related asbestos actions against non-debtor third parties, and those which may impact upon the process for, and determination of, the amount and validity of asbestos-related claims against the Debtors' estates.

22. As reported in prior monthly fee applications, Stroock reviewed the extensive motion, memorandum of law and related exhibits previously filed by the Debtors seeking entry of (i) a case management order providing for the establishment of a proposed schedule and process to determine the validity of asbestos claims against the Debtors' estates, and (ii) an order providing for the establishment of a bar date and approving special proof of claim and notice procedures to be utilized in these cases, and prepared a memorandum identifying the Committee's concerns with the Debtors' proposed bar date notice and related documentation and proposing modifications to be made to such documentation to satisfy such concerns.

23. During the Sixth Monthly Period, Stroock prepared and filed a response on behalf of the Committee to the Debtors' case management/bar date pleadings, reviewed those responses filed by each of the Asbestos Claim Committees and continued to engage the Debtors in discussions over modifying the original form of the bar date documentation to address the Committee's concerns.

24. Stroock has expended 33.9 hours on this category for a fee of \$15,019.00.

(v) Retention of Professionals - Category 0006

25. As reported in the prior monthly fee application, Stroock had discussed with counsel for Conway Del Genio Gries & Co. LLC ("Conway"), Conway's agreement to modify the terms of its proposed employment as financial advisors to the asbestos property damage committee in a manner which would satisfy the concerns raised by the Committee in its objection to the terms of such professional's retention. During the Sixth Monthly Period,

Stroock reviewed the proposed form of revised order approving the PD Committee's retention of Conway Del Genio, and provided comments to PD Committee counsel on the form of the order. In addition, during this period, Stroock reviewed the Debtors' proposed retention of Rust Consulting Inc.

26. Stroock has expended 4.3 hours on this category for a fee of \$1,852.50.

(vi) Creditors Committee Meetings/Conferences - Category 0007

27. During the Sixth Monthly Period, Stroock communicated with the members of the full Committee through numerous memoranda and telephone conversations. In order to keep the Committee fully informed of all of the pending matters in these cases, and thus enable the Committee to take informed positions on issues, Stroock thoroughly reviewed and summarized each of the motions filed by the Debtors and other parties in interest in these cases, raised issues the Committee should be aware of, and made recommendations to the Committee concerning appropriate actions to be taken with regard to the motions, communicated with members of the Committee regarding the positions to be taken, engaged counsel for the Debtors, and other parties and movants, as applicable, with the Committee's questions and concerns, and negotiated whenever and to the extent possible consensual resolutions of outstanding issues and acceptable forms of proposed orders.

28. Through its correspondence and communication with the Committee, Stroock has assisted the Committee in fulfilling its statutory duties to make informed decisions regarding the various issues which have already arisen in these cases and to monitor closely the Debtors' management of these estates.

29. In addition during the Sixth Monthly Period, Stroock assisted FTIP&M in concluding negotiations with the Debtors over the provisions of an amendment to the Confidentiality Agreement previously executed by FTIP&M in these cases.

30. Stroock has expended 34.6 hours on this category for a fee of \$12,344.50.

(vii) Financial Reports & Analysis – Category 0009

31. During the Sixth Monthly period, Stroock reviewed the Debtors' business plan for the 2001-2005 period and FTI P&M's analysis thereof, and had numerous conversations and a meeting with representatives of FTI P&M to discuss the business plan and related issues.

Stroock expended 15.8 hours on this category for a fee of \$7,435.00

(viii) Analysis of Pre-Petition Transactions – Category 0013

32. The Court had scheduled a hearing for the early portion of the Sixth Monthly Period to consider the joint motion filed by the asbestos property damage committee and the asbestos personal injury committee (the "Asbestos Committees' Joint Motion") seeking authority to prosecute fraudulent transfer claims against the Debtors, the response filed by Stroock on behalf of the Committee in opposition to the Asbestos Committees' Joint Motion, and the other responses filed by the Debtors and other parties. During the Sixth Monthly Period and prior to the Court's adjournment of the hearing, Stroock began to prepare for the hearing. Stroock has expended 3.4 hours on this category for a fee of \$1,802.50.

(ix) Lift Stay Litigation – Category 0016

33. During the Sixth Monthly Period, Stroock reviewed the Debtors' motions seeking to modify the stay to permit two pending actions to proceed through judgment and the Debtors' response to the stay relief motion filed by the Honeywell Corporation, discussed these motions

with Debtors' counsel and prepared a memorandum discussing the motions. Stroock has expended 7.3 hours on this category for a fee of \$3,102.50.

(x) **Tax Issues – Category 0018**

34. During the Sixth Monthly Period, Stroock reviewed publicly available information with particular focus on tax-related issues and information. Stroock has expended 14.5 hours on this category for a fee of \$8,789.50

IV. FACTORS TO BE CONSIDERED IN AWARDING ATTORNEYS' FEES

35. The factors to be considered in awarding attorneys fees have been enumerated in In re First Colonial Corp. of America, 544 F.2d 1291, 1298-99 (5th Cir. 1977), reh'g denied, 547 F.2d 573, cert. denied, 431 U.S. 904; these standards have been adopted by most courts. Stroock respectfully submits that a consideration of these factors should result in this Court's allowance of the full compensation sought.

(A) **The Time and Labor Required.** The professional services rendered by Stroock on behalf of the Committee have required the expenditure of substantial time and effort, as well as a high degree of professional competence and expertise, in order to deal with the complex issues encountered by the Committee with skill and dispatch. Occasionally, Stroock has been required to perform these services under significant time constraints requiring work late into the evening and on weekends. The services rendered by Stroock were performed efficiently, effectively and economically.

(B) **The Novelty and Difficulty of Questions.** Novel and complex issues have already arisen in the course of these Chapter 11 cases, and it can be anticipated that other such issues will be encountered. In this case, as in many others in

which the firm is involved, Stroock's effective advocacy and creative approach have helped clarify and resolve such issues and will continue to prove beneficial.

(C) The Skill Requisite to Perform the Legal Services Properly. Stroock believes that its recognized expertise in the area of corporate reorganization, its ability to draw from highly experienced professionals in other areas of Stroock's practice, and its creative approach to the resolution of issues, are and will continue to contribute to the maximization of the distributions to the Debtors' unsecured creditors.

(D) The Preclusion of Other Employment by Applicant Due to Acceptance of the Case. Due to the size of Stroock's insolvency department, Stroock's representation of the Committee has not precluded its acceptance of new clients. However, the volume of the matters needing attention on a continuing basis has required several of the attorneys to commit significant portions of their time to these cases.

(E) The Customary Fee. The fee sought herein is based upon Stroock's normal hourly rates for services of this kind. Stroock respectfully submits that the fee sought herein is not unusual given the magnitude and complexity of these cases and the time expended in attending to the representation of the Committee, and is commensurate with fees Stroock has been awarded in other cases, as well as with fees charged by other attorneys of comparable experience.

(F) Whether the Fee is Fixed or Contingent. Pursuant to §§ 330 and 331 of the Bankruptcy Code, all fees sought by professionals employed under § 1103 of

the Code are contingent pending final approval by this Court, and are subject to adjustment dependent upon the services rendered and the results obtained.

(G) Time Limitations Imposed by Client or Other Circumstances. As already indicated, Stroock has been required to attend to the various issues arising in these cases. Occasionally, Stroock has had to perform those services under significant time constraints requiring attorneys assigned to these cases to work evenings and on weekends.

(H) The Amount Involved and Results Obtained. Through the efforts of Stroock, the Committee has been an active participant in these Chapter 11 cases from the very first days of its formation, and its assistance, as well as constructive criticism, has greatly contributed to the efficient administration of these cases.

(I) The Experience, Reputation and Ability of the Attorneys. Stroock has one of the largest and most sophisticated insolvency practices in the nation and has played a major role in numerous cases of national import including: Acme Metals, Inc., Hillsborough Holdings Corporation, Laclede Steel Company, Gulf States Steel, Inc. of Alabama, The LTV Corporation, Wheeling-Pittsburgh Steel Corporation, Allis-Chalmers Corporation, The Charter Company, Federated Department Stores, G. Heileman Brewing Company, Inc., Burlington Motor Holdings, Inc., Metallurg, Inc., Forstmann & Company, Inc., Barneys, Inc., Fruehauf Trailer Corporation, Levitz Furniture Incorporated, The Columbia Gas System, Inc., JWP, Inc., Planet Hollywood International and Anchor Glass Container Corporation. Stroock's experience enables it to perform the services described herein competently and expeditiously. In addition to its expertise in the

area of corporate reorganization, Stroock has already frequently called upon the expertise of its partners and associates in the litigation and ERISA areas to perform the wide ranging scope of the legal work necessitated by these cases, and is now utilizing the expertise of its partners and associates in the tax area.

(J) The “Undesirability” of the Case. These cases are not undesirable, but as already indicated, have required a significant commitment of time from several of the attorneys assigned hereto.

(K) Nature and Length of Professional Relationship. As described above, Stroock has been actively rendering services on behalf of the Committee as necessary and appropriate from April 12, 2001 through to the present.

V. ALLOWANCE OF COMPENSATION

36. The professional services rendered by Stroock required a high degree of professional competence and expertise so that the numerous issues requiring evaluation and determination by the Committee could be addressed with skill and dispatch and have, therefore, required the expenditure of substantial time and effort. It is respectfully submitted that the services rendered to the Committee were performed efficiently, effectively and economically, and the results obtained to date have benefited the Debtors’ unsecured creditor body as a whole and the Debtors’ estates.

37. With respect to the level of compensation, § 330 of the Bankruptcy Code provides, in pertinent part, that the Court may award to a professional person (including attorneys for a creditors’ committee): “Reasonable compensation for actual necessary services rendered by [such] . . . professional person. 11 U.S.C. § 330. Section 330 further states that the court should take into consideration, inter alia, the nature, extent, and value of services performed, as well as the cost of comparable services other than in a case under this title. Id.

The clear Congressional intent and policy expressed in this statute is to provide for adequate compensation in order to continue to attract qualified and competent bankruptcy practitioners to bankruptcy cases.

38. The total time spent by Stroock attorneys and paraprofessionals during the Sixth Monthly Period was 144.6 hours. Such services have a fair market value of \$58,742.00. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task.

39. As shown by this Application and supporting documents, Applicant spent its time economically and without unnecessary duplication of time. Attached hereto as Exhibit "C" are summaries of the hours expended by the attorneys and paraprofessionals during the Sixth Monthly Period, their normal hourly rates, and the value of their services.

40. In addition, Stroock incurred actual out-of-pocket expenses in connection with the rendition of the professional services to the Committee in the sum of \$6,801.32 for which Stroock respectfully requests reimbursement in full.

41. The disbursements and expenses have been incurred in accordance with Stroock's normal practice of charging clients for expenses clearly related to and required by particular matters. Such expenses were often incurred to enable Stroock to devote time beyond normal office hours to matters, which imposed extraordinary time demands. Stroock has endeavored to minimize these expenses to the fullest extent possible.

42. Stroock's billing rates do not include charges for photocopying, telephone and telecopier toll charges, computerized research, travel expenses, "working meals", secretarial overtime, postage and certain other office services, because the needs of each client for such services differ. Stroock believes that it is fairest to charge each client only for the services

actually used in performing services for it. Stroock has endeavored to minimize these expenses to the fullest extent possible.

43. Stroock charges \$.10 per page for in-house photocopying services, with respect to computerized research services Stroock charges the actual cost from the vendor, and \$1.00 per page for out-going facsimile transmissions. Stroock does not charge for incoming facsimiles.

44. No agreement or understanding exists between Stroock and any other person for the sharing of any compensation to be received for professional services rendered or to be rendered in connection with these cases.

45. Stroock has reviewed the requirements set forth in Delaware Local Rule 2016-2, entitled "Motion for Compensation and Reimbursement of Expenses," and believes that this application for interim compensation and reimbursement of expenses is fully in compliance with the rules set forth therein.

46. No prior application has been made in this or in any other Court for the relief requested herein for the Sixth Monthly Period.

WHEREFORE, Stroock respectfully requests, pursuant to the Administrative Fee Order:

- (a) the allowance of compensation for professional services rendered to the Committee during the period from September 1, 2001 through and including September 30, 2001 in the amount of \$58,742.00;
- (b) the reimbursement of Stroock's out-of-pocket expenses incurred in connection with the rendering of such services during the period from September 1, 2001 through and including September 30, 2001 in the amount of \$6,801.32; and
- (c) authorizing and directing the Debtor to pay as interim compensation to Stroock 80% of the amount of the professional services rendered and 100% of the

expenses incurred by Stroock during the period from September 1, 2001 through and including September 30, 2001, subject to final payment of the full amount; and

(d) granting such other and further relief as this Court may deem just and proper.

Dated: New York, New York
October __, 2001

STROOCK & STROOCK & LAVAN LLP



Lewis Kruger (LK4512)

A Member of the Firm

180 Maiden Lane

New York, New York 10038-4982

(212) 806-5400

Co-Counsel for the Official Committee of
Unsecured Creditors of W. R. Grace & Co., et al.

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., <u>et al.</u> Debtors.)))))	Chapter 11 Case No. 01-01139 (JJF) Jointly Administered
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AFFIDAVIT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

LEWIS KRUGER, being duly sworn, deposes and says:

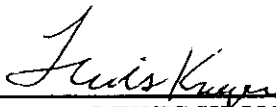
1. I am a member of the firm of Stroock & Stroock & Lavan LLP (“Stroock”), which firm maintains offices for the practice of law at 180 Maiden Lane, New York, New York 10038-4982. Stroock has acted as counsel to and has rendered professional services on behalf of the Official Committee of Unsecured Creditors (the “Committee”) of W. R. Grace & Co., and sixty-one of its domestic subsidiaries and affiliates which are debtors and debtors-in-possession before this Court.

2. This affidavit is submitted pursuant to Bankruptcy Rule 2016(a) in support of Stroock’s sixth monthly application for an interim allowance of compensation and for the reimbursement of expenses for services rendered during the period from September 1, 2001 through and including September 30, 2001 in the aggregate amount of \$65,543.32.

3. All services for which compensation is requested by Stroock were professional services performed for and on behalf of the Committee from September 1, 2001 through and including September 30, 2001 and not on behalf of any other person.

4. In accordance with Title 18 U.S.C. Section 155, neither I nor any member or associate of my firm has entered into any agreement, express or implied, with any other party-in-interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' assets.

5. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm, or any member or associate thereof, on the one hand, and any other person, on the other hand, for division of such compensation as my firm may receive for services rendered in connection with these cases, nor will any division of fees prohibited by Section 504 of the Bankruptcy Code be made by me or any partner or associate of my firm.


LEWIS KRUGER

Sworn to before me this
26 day of October, 2001


Notary Public

ETHEL EARLEY
Notary Public, State Of New York
No. 03-4650662
Qualified In Bronx County
Commission Expires March 30, 2003

EXHIBIT B

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

W R Grace & Co

October 22, 2001

FOR PROFESSIONAL SERVICES RENDERED and
disbursements incurred for the period through September 30, 2001
in connection with the following matters:

Matter Code		Hours	Fees
0002	General Case Administration	12.6	3,465.00
0003	Fee Application/Monthly Billing Reports	15.9	4,146.50
0004	Review of Other Professionals Fee Application	2.3	785.00
0005	Asbestos Litigations	33.9	15,019.00
0006	Retention of Professionals	4.3	1,852.50
0007	Creditors Committee Issues/Conferences	34.6	12,344.50
0009	Financial Reports & Analysis	15.8	7,435.00
0013	Analysis of Pre-Petition Transactions	3.4	1,802.50
0016	Lift Stay Litigation	7.3	3,102.50
0018	Tax Issues	14.5	8,789.50
	Total	144.6	58,742.00

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

October 22, 2001
Invoice: 245588

W R Grace & Co
7500 Grace Drive
Columbia, MD 21044-4098

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for the period through September 30, 2001, including:

**RE: General Case Administration
699842. 0002**

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
08/02/2001	Telephone call with K. Kelley regarding equity committee creation (.2); Wells Fargo Committee Membership (.2).	Kruger, L.	0.4
08/03/2001	Telephone call with P. Brach of Bank of America regarding debt.	Kruger, L.	0.2
08/23/2001	Telephone call with A. Krieger regarding FTI's draft memorandum to the committee regarding their findings and observations for June 2001.	Kruger, L.	0.3
09/05/2001	Review recent docket entries and office conference RS re Honeywell failure Review recent docket entries and office conference RS re Honeywell other motions. (.3).	Krieger, A.	0.3
09/05/2001	Download of document Motion to assume leases at A. Krieger's request (.3); conference with local counsel re revision of fee request (.2); with A. Krieger re same (.1) Prepare reimbursement checks to Committee (.5); research payments for fees(.2). Review recently filed documents (.5); distribution of same (.3).	Serrette, R.	2.1
09/07/2001	Conference with K. Pasquale re set up conference meeting with potential expert (.2); confirm same with Committee members (.3).	Serrette, R.	0.5
09/08/2001	Review amended schedules of assets and liabilities and prepare memorandum re same (1.3).	Krieger, A.	1.3
09/10/2001	Review and updated critical list calendar.	Defreitas, V.	1.3
09/10/2001	Telephone call W. Sparks re compensation of	Krieger, A.	0.3

professionals and office conference RS above (.3).

09/10/2001	Review and preparation for filing of Committee's response to Case Management Motion (1.9); conferences with A. Krieger re same(.3).	Serrette, R.	2.2
09/14/2001	T/c J. Kapp re misc pending matter.	Raskin, R.	0.2
09/17/2001	Office conference RS re 9/20 hearing adjourned, preparation of updated fee applications schedule, certificates of no objection filed for SSL applications (.2).	Krieger, A.	0.2
09/20/2001	Correspondence to S. Cunningham re amendment to Grace-Conn's statement of financial affairs (.5).	Krieger, A.	0.5
09/24/2001	Review revised form of order approving assumption and rejection of contract (.2), t/c J. Kapp re issues involving confidential information (.2).	Raskin, R.	0.4
09/25/2001	Memos from and to D. Clement (Foster & Sear) re case management/bar date process (.6).	Krieger, A.	0.6
09/26/2001	T/c A. Krieger re circulation of business plan (.2).	Raskin, R.	0.2
09/26/2001	Review incoming pleadings.	Serrette, R.	0.1
09/27/2001	Researched stip & order resolving the motion of First Union Commercial Corp.	Defreitas, V.	0.2
09/27/2001	Review docket and update Critical Date Calendar.	Serrette, R.	0.9
09/28/2001	Set up telephone connection to Committee meeting (10/2/01).	Serrette, R.	0.4

Summary of Hours

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Defreitas, Vaughn	1.5	\$ 100	\$ 150.00
Krieger, Arlene	3.2	425	1,360.00
Kruger, Lewis	0.9	650	585.00
Raskin, Robert	0.8	550	440.00
Serrette, Rosemarie	6.2	150	930.00

Total For Professional Services Rendered \$ 3,465.00

Total for this Matter \$ 3,465.00

RE: Fee Application/Monthly Billing Reports
699842. 0003

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/04/2001	Stroock fee application (.3); conference with R. Raskin re same (.1); conference with S. Hollinghead re filing of Stroock fee application (.2); prepare for electronic e-filing (.3).	Serrette, R.	1.1
09/05/2001	Telephone calls M. Lastowski re Committee application for reimbursement of expenses and office conference RS re same (.3).	Krieger, A.	0.3
09/19/2001	Review time for fee application preparation (.7); office conference with R. Serrette regarding same (.3); prepare fifth fee application (.6).	Taruschio, A.	1.6
09/22/2001	Review/edit time records to prepare fifth fee application (.8); draft/revise fifth fee application (2.3)	Taruschio, A.	3.1
09/24/2001	Review time records for August 2001 and prepare fee application for August 2001 (4.5).	Krieger, A.	4.5
09/24/2001	Conferences with A. Krieger re August time and preparation for fee application.	Serrette, R.	0.6
09/26/2001	Revise time entries in preparation for interim fee application.	Serrette, R.	0.7
09/27/2001	Researched Stroock's July fee app at RS's request.	Defreitas, V.	0.1
09/27/2001	Finalize 5th interim fee application including preparation of cover page and attachment A; edits to attachment B and exhibits (3.7); email same to local counsel.(.2)	Serrette, R.	3.9

Summary of Hours

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Defreitas, Vaughn	0.1	\$ 100	\$ 10.00
Krieger, Arlene	4.8	425	2,040.00
Serrette, Rosemarie	6.3	150	945.00
Taruschio Anna	4.7	245	1,151.50

Total For Professional Services Rendered \$ 4,146.50

Total for this Matter \$ 4,146.50

**RE: Review of Other Professionals Fee Application
699842. 0004**

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/06/2001	Conference with M. Lastowski re fee requests and certificates of no objection (.2); conferences with A. Krieger re same (.2); review of docket re same (.3).	Serrette, R.	0.7
09/28/2001	Review of recently received fee applications including Tersigni, and the Pitney Hardin Firm Rust Consulting, and office conference RS re above (1.6).	Krieger, A.	1.6

<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Krieger, Arlene	1.6	\$ 425	\$ 680.00
Serrette, Rosemarie	0.7	150	105.00

Total For Professional Services Rendered	\$ 785.00
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Total for this Matter	\$ 785.00
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RE: Asbestos Litigations
699842. 0005

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/05/2001	Office conference M. Sasson re response to Debtors' case management/bar date motion (.8); telephone call C. MacCullum re asbestos claim memorandum to be circulated to the Committee (.1); review and revise proposed response to case management/bar date motion (2.2).	Krieger, A.	3.1
09/05/2001	T/c A. Krieger, K. Pasquale re: response to CMO, bar date motion (.3); draft response to same (2.0).	Sasson, M.	2.3
09/06/2001	Prepare revised response to Debtors' case management/bar date motion (2.4); telephone calls Jan Baer re circulation of revised bar date documentation (.2); memoranda from and to KP, RAR the fraudulent transfer litigation (.3).	Krieger, A.	2.9
09/07/2001	Review revised bar date documentation (.8); extended telephone call Jan Baer re bar date documentation and memo to K. Pasquale, RAR re same (.8); correspondence to J. Baer re comments to revised bar date documentation (.3); further memos from and to KP and RAR re Committee's response to case management/bar date motion (.3).	Krieger, A.	2.2
09/07/2001	Telephone conference potential expert re meeting and issues (.2)	Pasquale, K.	0.2
09/07/2001	Review and revise response to bar date motion (.5), emails re comments to AGK same (.4).	Raskin, R.	0.9
09/10/2001	Revise response to Debtors' case management/bar date pleadings and finalize same for service and filing (3.5).	Krieger, A.	3.5
09/10/2001	Preparation for meeting with potential asbestos expert.	Pasquale, K.	0.8
09/17/2001	Attention to PD Committee's opposition to case management, bar date motions (2.0)	Pasquale, K.	2.0
09/19/2001	Telephone calls. Cunningham re plan meeting (.1); memo to R. Raskin, re: plan meeting (.1); review news articles re asbestos liabilities for Libby residents, property owners (.8).	Krieger, A.	1.0
09/20/2001	Review correspondence from D. Bernick re subpoena received by Grace in respect of Maryland Casualty action (.1).	Krieger, A.	0.1
09/20/2001	Memos to and from K. Pasquale, L. Kruger re	Krieger, A.	0.4

rescheduling the meeting with potential experts (.4).

09/21/2001	Review news articles re asbestos claims (1.0).	Krieger, A.	1.0
09/21/2001	T/c re: availability; t/c for meeting with potential expert; t/c potential expert, T. Maher, SSL team re: scheduling interview.	Sasson, M.	0.6
09/23/2001	Review Asbestos Committees' responses to Debtors' case management/bar date pleadings.	Krieger, A.	4.5
09/24/2001	Memo from M. Sasson and response re rescheduled meeting with potential expert (.2); review news articles re Grace's asbestos liability (.5); office conference DW re bar date/case management issues in the Armstrong case before Judge Farnan (.2).	Krieger, A.	0.9
09/25/2001	O/c A. Krieger re response of asbestos committees.	Raskin, R.	0.3
09/26/2001	Memos to and from K. Pasquale re corporate transactions, retention of expert and then office conference KP re same (.2).	Krieger, A.	0.2
09/26/2001	Attention to asbestos committees' respective responses to debtor's case management and related motions (2.5)	Pasquale, K.	2.5
09/28/2001	Background reading on asbestos issues.	Raskin, R.	0.5
09/29/2001	Review article re treatment of claims in asbestos bankruptcy cases.	Krieger, A.	1.5
09/30/2001	Review and redact pleadings filed by property damage committee and personal injury committee in response to the motion by the debtors for bar order.	Raskin, R.	2.5

Summary of Hours

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Krieger, Arlene	21.3	\$ 425	\$ 9,052.50
Pasquale, Kenneth	5.5	475	2,612.50
Raskin, Robert	4.2	550	2,310.00
Sasson, Moshe	2.9	360	1,044.00

Total For Professional Services Rendered \$ 15,019.00

Total for this Matter \$ 15,019.00

**RE: Retention of Professionals
699842. 0006**

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/06/2001	Review proposed revised order approving the PD Committee's employment of Conway Del Genio (.7).	Krieger, A.	0.7
09/06/2001	Review Conway Del Genio proposed order (.2).	Raskin, R.	0.2
09/11/2001	Telephone call M. Mora re comments to proposed revised Conway Del Genio retention order.	Krieger, A.	0.1
09/13/2001	Review proposed Conway Del Genio order and prepare mark up to comments thereon and office conference RAR re same and then forward mark-up to M. Mora (.9).	Krieger, A.	0.9
09/20/2001	Review correspondence from Jason Jones re revised form of Conway Del Genio order and forwarded additional comments back to PD Committee counsel (.6); review Inselbuch affidavit regarding engagement of Elizabeth Warren and memo thereon (.5).	Krieger, A.	1.1
09/21/2001	Memo to and from S. Schwartz re proposed order approving PD committee retention of Conway Del Genio (.1).	Krieger, A.	0.1
09/24/2001	Memo to and from LK, RAR re retention of Klett Rooney firm by the Equity Committee.	Krieger, A.	0.2
09/28/2001	Review of Rust Consulting retention application and memorandum thereon.(1.0)	Krieger, A.	1.0

<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Krieger, Arlene	4.1	\$ 425	\$ 1,742.50
Raskin, Robert	0.2	550	110.00

Total For Professional Services Rendered \$ 1,852.50

Total for this Matter \$ 1,852.50

**RE: Creditors Committee Issues/Conferences
699842. 0007**

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
08/06/2001	Review memo from FTI re confidentiality issues (.2), follow-up emails re same (.2).	Raskin, R.	0.4
09/01/2001	Review pending pleadings (.6); email re summaries of pleadings (.1)	Taruschio, A.	0.7
09/02/2001	Prepare draft SSL Confidentiality Agreement (2.8).	Krieger, A.	2.8
09/03/2001	Memo from and to A. Taruschio re preparation of memo to the Committee with respect to prime lease assumption motion and environmental litigation lift stay motion (.2).	Krieger, A.	0.2
09/04/2001	Follow-up re meeting with epidemiologist.	Raskin, R.	0.3
09/04/2001	Summarize pending motions re: patent infringement action; sale, assignment and assumption of Dragon Leases; and environmental remediation action (5.9)	Taruschio, A.	5.9
09/05/2001	Telephone call RAR re status of amendment to confidentiality agreement (.1); telephone calls S. Schwartz re remaining issue on proposed final draft of confidentiality agreement amendment (.7); telephone calls S. Cunningham re confidentiality agreement issues, and September 6 meeting at Blackstone offices (.5); review and revised draft SSL confidentiality agreement and memo to RAR re same (.5); memos to RAR, LK re acceptable form of confidentiality agreement for P&M with respect to Advisors Only Materials (.2).	Krieger, A.	2.0
09/05/2001	Revise/finalize motions summaries (2.1)	Taruschio, A.	2.1
09/06/2001	Telephone call S. Schwartz re assumption and assignment motions (.2); memo re adjournment of fraudulent transfer hearing and office conference LK re same (.1).	Krieger, A.	0.3
09/06/2001	Revise/finalize, research for motions summaries (1.5); review Honeywell's motion to lift automatic stay in cross-claim against debtors (.7).	Taruschio, A.	2.2
09/07/2001	Review Debtors motion for assumption and assignment of First Star/Consolidation leases (.7); telephone call Sam Schwartz re proposed assumption and assignment motions, of First Star/Consolidated leases and Dragon Court leases and terms thereto (.8).	Krieger, A.	1.5
09/09/2001	Draft motion summary for lease assumption and	Taruschio, A.	3.2

assignment (1.1) Revise/edit motion summary for
Dragon Court Lease (2.1)

09/10/2001	Review and revise memo to the Committee re pending motions and review underlying pleadings thereon.	Krieger, A.	2.8
09/10/2001	Telephone call Ed Ordway re 9/11/01 plan strategy meeting (.3).	Krieger, A.	0.3
09/10/2001	Emails to/from A. Krieger re scheduling meeting with P&M (.3), email to committee (.2).	Raskin, R.	0.5
09/10/2001	Review of Asbestos Property Damage response to Case Management motion (.4).	Serrette, R.	0.4
09/11/2001	Continue to prepare memorandum to the Committee re pending motions (1.50).	Krieger, A.	1.5
09/13/2001	Telephone call Sam Schwartz re information on Dragon Court Lease Motion, 9/10/01 hearing adjourned, PWC retention motion, other matters (.5); telephone call Janet Baer re preparation of objection to Honeywell motion for stay relief, discussed responses received to case management/bar date motion from asbestos committee, other (.7); telephone call RAR re substance of conversation with Debtor's counsel (.1).	Krieger, A.	1.3
09/14/2001	Telephone calls Sam Schwartz re additional Dragon Court Lease information, Debtors' response to Honeywell motion and extension of Committee's time to respond to all pending motions (.4); review Debtors' response to Honeywell motion to lift the stay (.2).	Krieger, A.	0.6
09/17/2001	Office conference RAR re Committee memorandum, hearing status (.1); prepare revised Committee memorandum to reflect Honeywell objection, additional information from Debtors, other and forward same. (2.0)	Krieger, A.	2.0
09/17/2001	O/c A. Krieger re misc (.3), review memo to committee re misc. motions (.4).	Raskin, R.	0.7
09/21/2001	Memos to and from S. Schwartz re order approving modification of the stay to permit Zapat action to go forward and review same, order approving First Northern Lease motion (.4); review America Real Estate Holdings objection to Debtors' motion to assume/assign Dragon Court leases (.3); review Honeywell's limited objection to Debtor ICO Action stay Relief motion (.3).	Krieger, A.	1.0
09/21/2001	Emails re meeting with epidemiologist (.2), arrange meetings with Policano & Manzo (.2).	Raskin, R.	0.4
09/24/2001	Telephone call S. Cunningham re information request	Krieger, A.	0.8

to Grace and business plan analysis (.3); memo from C. Whitney re outstanding information request (.1); memo to RAR re information request (.1); office conferences RAR re information request and telephone call Jay Kapp re same (.1); review revised Zapat A stay relief order and First Northern Star lease assignment order and memo to RAR re same (.2).

09/29/2001 Review article on Rickel case and exercising of lease provisions (.7). Krieger, A. 0.7

Summary of Hours

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Krieger, Arlene	17.8	\$ 425	\$ 7,565.00
Raskin, Robert	2.3	550	1,265.00
Serrette, Rosemarie	0.4	150	60.00
Taruschio Anna	14.1	245	3,454.50

Total For Professional Services Rendered \$ 12,344.50

Total for this Matter \$ 12,344.50

**RE: Financial Reports & Analysis
699842. 0009**

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/07/2001	Telephone call S. Cunningham re 9/6/01 meeting with the Company and memo re same (.7).	Krieger, A.	0.7
09/17/2001	Telephone call S. Cunningham, re plan meeting, business plan information (.3).	Krieger, A.	0.3
09/20/2001	Telephone calls S. Cunningham re Debtors' 5 year business plan and analysis thereof (.6); office conference LK re assumptions for the analysis (.1); telephone call Tom Maher, LK re business plan, valuation analysis (.2).	Krieger, A.	0.9
09/21/2001	Review Grace 5 year business plan and memos and telephone call Tom Maher, office conference L. Kruger re plan meeting.	Krieger, A.	3.9
09/24/2001	Telephone call S. Cunningham re business plan and valuation analysis and memo to RAR, LK re same.	Krieger, A.	0.8
09/25/2001	Review FTI draft analysis (2.5) and meeting with T. Maher, RAR, S. Cunningham, others re business plan and valuation analysis (1.3).	Krieger, A.	3.8
09/25/2001	Conference at JP Morgan Chase with R. Raskin, A. Krieger, T. Maher, E. Ordway and S. Cunningham reviewing debtor's business plan, possible issues with it, valuation issues, asbestos view and strategy.	Kruger, L.	3.2
09/26/2001	Telephone call S. Cunningham re circulation of Business Plan and tax analysis (.2); memo to LK, RAR re above business analysis meeting; memos to and from M. Levy, RAR re tax issues related meeting (.3); obtain public documentation for M. Levy (.8); follow up telephone call S. Cunningham re tax analysis (.1); memo from and to C. Whitney re circulation of Business Plan (.2).	Krieger, A.	2.2

<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Krieger, Arlene	12.6	\$ 425	\$ 5,355.00
Kruger, Lewis	3.2	650	2,080.00
Total For Professional Services Rendered			\$ 7,435.00
Total for this Matter			\$ 7,435.00

**RE: Analysis of Pre-Petition Transactions
699842. 0013**

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/05/2001	Telephone conference P. Lockwood re fraudulent transfer motion (.4)	Pasquale, K.	0.4
09/06/2001	Telephone conference T. Maher re fraudulent transfer issues (.2); attention to same (.3)	Pasquale, K.	0.5
09/06/2001	T/cs K. Pasquale re hearing on fraudulent trf litigation (.3), t/c to T. Maher re same (.1); exchange emails re committee position on fraudulent trf litigation (.3), preparation for hearing on fraudulent trf litigation (1.5).	Raskin, R.	2.5

<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Pasquale, Kenneth	0.9	\$ 475	\$ 427.50
Raskin, Robert	2.5	550	1,375.00

Total For Professional Services Rendered \$ 1,802.50

Total for this Matter \$ 1,802.50

RE: **Lift Stay Litigation**
699842. 0016

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/05/2001	Telephone calls S.Schwartz re Zapat A and ESCARG lift stay motion, Dragon Court landlord's position on motion (.2).	Krieger, A.	0.2
09/06/2001	Telephone call J. Baer re Debtors' motions seeking to lift the stay with respect to ESCARG and Zapat A actions (.1); review Honeywell motion to lift the stay (1.5).	Krieger, A.	1.6
09/07/2001	Extended telephone Jan Baer re Debtors lift stay motions regarding the Interfaith Community Org litigation and related Honeywell motion, and regarding Zapat A litigation (.8).	Krieger, A.	0.8
09/08/2001	Prepare revised memo to the Committee describing lift stay, other pending motions (1.5).	Krieger, A.	1.5
09/09/2001	Continue to review and revise memo to the Committee describing Debtors and Honeywell lift stay motions, other (2.6).	Krieger, A.	2.6
09/14/2001	Review Debtors' response to Honeywell motion to lift the stay (.2).	Krieger, A.	0.2
09/20/2001	Correspondence to J. Baer re Debtors' motion to lift the say on the Zapat A action and revised form of order (.3).	Krieger, A.	0.3
09/25/2001	Memo to S. Schwartz re: comments to Zapat A order (.1).	Krieger, A.	0.1

<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Krieger, Arlene	7.3	\$ 425	\$ 3,102.50
Total For Professional Services Rendered			\$ 3,102.50
Total for this Matter			<u>\$ 3,102.50</u>

RE: Tax Issues
699842. 0018

<u>Date</u>	<u>Description</u>	<u>Name</u>	<u>Hours</u>
09/25/2001	T/c Kruger, t/c(s) Sean Cunningham, t/c(s) Raskin re issues.	Levy, M.	1.0
09/26/2001	Tax issues - t/c S. Cunningham, t/c(s) Raskin, review 10K and 10Q of Grace.	Levy, M.	2.3
09/26/2001	T/c M. Levy re tax issues (.2).	Raskin, R.	0.2
09/27/2001	Tax issues - t/c(s) Cunningham, review Grace 10K, business plan, etc., prep for meeting on 10/1.	Levy, M.	5.0
09/28/2001	Discussion with M. Levy; review materials re potential tax issues.	Greenberg, M.	1.0
09/28/2001	Tax issues - t/c(s) Cunningham, review Grace 10K, business plan, etc., prep. for meeting on 10/1.	Levy, M.	5.0

Summary of Hours

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Greenberg, Mayer	1.0	\$ 500	\$ 500.00
Levy, Mark	13.3	615	8,179.50
Raskin, Robert	0.2	550	110.00
Total For Professional Services Rendered			\$ 8,789.50
Total for this Matter			\$ 8,789.50
Total For Professional Services Rendered			58,742.00
Total Bill			\$ 58,742.00

EXHIBIT C

W R GRACE & COMPANY			
SUMMARY OF FEES			
THROUGH SEPTEMBER 30, 2001			
<u>Summary of Hours</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
PARTNERS			
Greenberg, Mayer	1.0	500	500.00
Kruger, Lewis	4.1	650	2,665.00
Levy, Mark	13.3	615	8,179.50
Pasquale, Kenneth	6.4	475	3,040.00
Raskin, Robert	10.2	550	5,610.00
ASSOCIATES			
Krieger, Arlene	72.7	425	30,897.50
Sasson, Moshe	2.9	360	1,044.00
Taruschio Anna	18.8	245	4,606.00
PARAPROFESSIONALS			
Defreitas, Vaughn	1.6	100	160.00
Serrette, Rosemarie	13.6	150	2,040.00
Total	144.6		\$ 58,742.00

EXHIBIT D

STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

October 24, 2001
Invoice: 245588

W R Grace & Co
7500 Grace Drive
Columbia, MD 21044-4098

FOR PROFESSIONAL SERVICES RENDERED in the captioned matter for
the period through September 30, 2001, including:

Disbursement Register

<u>Date</u>	<u>Description</u>	<u>Amount</u>
Outside Messenger Service		
07/02/2001	Federal Express T#814860882339 A KRIEGER to: DENNETH PASZUALE OCEAN CITY,MD	15.33
09/10/2001	08/31/2001 Federal Express T#824858018329 R SERRETTE to: M LASTOWSKI WILMINGTON,	11.33
09/26/2001	Federal Express T#824858018226 SERRETTE to: LETICIA CHAMBERS WASHINGTON,DC	17.24
09/27/2001	Federal Express T#824858018248 R SERRETTE to: MICHAEL R LASTOWSKI WILMINGTON,DE	9.40
Outside Messenger Service Total		53.30
Meals		
09/20/2001	VENDOR: Petty Cash; INVOICE#: 09/17/01; DATE: 9/20/01 09/09/01 NY PETTY CASH A.TARUSCHIO	8.38
Meals Total		8.38
Local Transportation		
09/20/2001	VENDOR: Petty Cash; INVOICE#: 09/17/01; DATE: 9/20/01 09/09/01 NY PETTY CASH A.TARUSCHIO	30.00
09/25/2001	NYC Two Ways Inc. SERRETTE 08/28/01 22:44 M from 180 MAIDEN LA to SOUTH RICHMON	38.31
09/25/2001	NYC Two Ways Inc. KRIEGER 08/29/01 20:20 M from 180 MAIDEN LA to E 88 ST M	24.60
09/25/2001	NYC Two Ways Inc. SERRETTE 08/31/01 19:44 M from 180	48.10

MAIDEN LA to SOUTH OZONE P

09/25/2001	NYC Two Ways Inc V Defreitas 8/28/01 180 Maiden Lane to South Jamaica	48.10
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Local Transportation Total**189.11****Long Distance Telephone**

09/05/2001	EXTN.5544, TEL.302-657-4942, S.T.10:46, DUR.00:54	0.32
09/05/2001	EXTN.5544, TEL.312-861-3103, S.T.10:51, DUR.00:30	0.32
09/05/2001	EXTN.5544, TEL.201-843-4900, S.T.11:03, DUR.09:00	2.92
09/05/2001	EXTN.5544, TEL.312-861-3103, S.T.12:46, DUR.00:24	0.32
09/05/2001	EXTN.5544, TEL.312-861-3103, S.T.15:12, DUR.05:48	1.94
09/05/2001	EXTN.5544, TEL.201-556-4040, S.T.15:25, DUR.03:06	1.30
09/05/2001	EXTN.5544, TEL.201-556-4040, S.T.15:32, DUR.00:30	0.32
09/05/2001	EXTN.5562, TEL.202-371-9770, S.T.13:17, DUR.02:00	0.65
09/05/2001	EXTN.5562, TEL.202-862-5065, S.T.17:09, DUR.00:30	0.32
09/06/2001	EXTN.3544, TEL.201-556-4040, S.T.15:14, DUR.00:30	0.32
09/07/2001	EXTN.3544, TEL.201-556-4040, S.T.17:39, DUR.02:12	0.97
09/07/2001	EXTN.5544, TEL.312-861-3103, S.T.12:09, DUR.25:36	8.42
09/07/2001	EXTN.5544, TEL.312-861-2162, S.T.12:53, DUR.01:00	0.32
09/07/2001	EXTN.5544, TEL.201-556-4040, S.T.13:22, DUR.14:24	4.86
09/07/2001	EXTN.5544, TEL.201-556-4040, S.T.13:38, DUR.00:30	0.32
09/07/2001	EXTN.5562, TEL.202-371-9770, S.T.11:16, DUR.01:48	0.65
09/07/2001	EXTN.5562, TEL.202-371-9770, S.T.15:36, DUR.01:48	0.65
09/10/2001	EXTN.3544, TEL.201-960-1510, S.T.17:07, DUR.01:06	0.65
09/10/2001	EXTN.5422, TEL.973-424-2031, S.T.10:35, DUR.04:24	1.62
09/10/2001	EXTN.5422, TEL.312-861-2124, S.T.11:27, DUR.05:54	1.94
09/10/2001	EXTN.5492, TEL.941-355-3076, S.T.18:59, DUR.00:12	0.32
09/10/2001	EXTN.5492, TEL.610-623-5235, S.T.19:00, DUR.03:18	0.99
09/10/2001	EXTN.5492, TEL.908-604-5959, S.T.19:04, DUR.06:18	1.73
09/10/2001	EXTN.5492, TEL.954-583-0773, S.T.20:40, DUR.00:42	0.25

09/10/2001	EXTN.5544, TEL.201-556-4040, S.T.13:14, DUR.01:42	0.65
09/10/2001	EXTN.5544, TEL.201-556-4003, S.T.13:16, DUR.01:24	0.65
09/10/2001	EXTN.5885, TEL.202-371-9770, S.T.10:45, DUR.00:12	0.32
09/11/2001	EXTN.5017, TEL.305-350-2414, S.T.13:06, DUR.01:12	0.65
09/13/2001	EXTN.2002, TEL.312-861-2162, S.T.11:21, DUR.12:45	4.21
09/13/2001	EXTN.5002, TEL.312-861-3103, S.T.12:10, DUR.10:21	3.56
09/14/2001	EXTN.5015, TEL.312-861-3103, S.T.14:37, DUR.01:03	0.65
09/17/2001	EXTN.3544, TEL.201-556-4040, S.T.16:41, DUR.09:42	3.24
09/17/2001	EXTN.5492, TEL.954-357-7158, S.T.14:25, DUR.02:30	0.97
09/17/2001	EXTN.5544, TEL.201-556-4040, S.T.11:12, DUR.00:48	0.32
09/18/2001	EXTN.5492, TEL.201-384-1279, S.T.09:49, DUR.05:42	1.94
09/18/2001	EXTN.5492, TEL.302-657-4900, S.T.12:20, DUR.06:54	2.27
09/19/2001	EXTN.5492, TEL.302-651-8681, S.T.16:22, DUR.00:54	0.32
09/20/2001	EXTN.3544, TEL.201-556-4040, S.T.15:23, DUR.04:12	1.62
09/21/2001	EXTN.5544, TEL.201-556-4040, S.T.12:41, DUR.01:48	0.65
09/21/2001	EXTN.5544, TEL.201-556-4040, S.T.15:47, DUR.00:54	0.32
09/21/2001	EXTN.6015, TEL.202-371-9770, S.T.11:13, DUR.03:36	1.30
09/24/2001	EXTN.5006, TEL.312-861-2124, S.T.12:12, DUR.00:48	0.32
09/24/2001	EXTN.5544, TEL.312-861-2124, S.T.10:52, DUR.00:42	0.32
09/24/2001	EXTN.6015, TEL.202-371-9770, S.T.10:03, DUR.01:36	0.65
09/25/2001	EXTN.4062, TEL.201-843-4900, S.T.17:18, DUR.02:06	0.97
09/26/2001	EXTN.5006, TEL.732-390-9000, S.T.12:42, DUR.02:18	0.97
09/26/2001	EXTN.5544, TEL.201-556-4040, S.T.09:48, DUR.10:00	3.24
09/26/2001	EXTN.6015, TEL.202-371-9770, S.T.10:54, DUR.03:06	1.30
09/26/2001	EXTN.6062, TEL.201-843-4900, S.T.10:32, DUR.00:42	0.32
09/28/2001	EXTN.3492, TEL.302-657-4942, S.T.13:06, DUR.03:30	1.30
Long Distance Telephone Total		65.45
Duplicating Costs-in House		
09/04/2001		12.20

09/04/2001	0.10
09/05/2001	0.80
09/06/2001	0.30
09/06/2001	0.30
09/06/2001	2.00
09/06/2001	54.00
09/06/2001	0.30
09/06/2001	0.10
09/06/2001	0.10
09/06/2001	5.40
09/07/2001	2.80
09/10/2001	0.60
09/10/2001	34.00
09/12/2001	9.20
09/12/2001	3.80
09/19/2001	6.10
09/20/2001	8.10
09/20/2001	1.20
09/21/2001	0.70
09/24/2001	0.40
09/24/2001	1.00
09/24/2001	2.30
09/24/2001	0.70
09/24/2001	16.00
09/26/2001	4.20
09/26/2001	5.70
09/26/2001	7.90
09/26/2001	4.50

09/26/2001		9.40
09/26/2001		56.70
09/26/2001		6.70
09/26/2001		18.80
09/26/2001		35.60
09/26/2001		60.90
09/27/2001		0.40
09/27/2001		15.30
09/28/2001		1.60
Duplicating Costs-in House Total		390.20
Postage		
09/19/2001	Postage Charged by on 09/06/2001	1.70
09/25/2001	Postage Charged by on 09/20/2001	3.10
Postage Total		4.80
Process Service & Calendar Watch		
08/31/2001	VENDOR: Parcels/ Virtual Docket; INVOICE#: 3343; DATE: 8/31/01 U.S. bank court	2.50
Process Service & Calendar Watch Total		2.50
Word Processing		
09/07/2001	08/15/01	18.00
Word Processing Total		18.00
Lexis/Nexis		
07/20/2001		27.28
07/21/2001		88.14
07/22/2001		48.09
07/23/2001		48.09
07/24/2001		28.09
07/25/2001		48.14
07/26/2001		85.63
07/27/2001		83.09

07/28/2001	48.13
07/29/2001	48.08
07/30/2001	28.17
07/31/2001	105.64
08/01/2001	81.56
08/02/2001	116.21
08/03/2001	258.71
08/04/2001	173.77
08/05/2001	57.05
08/06/2001	76.22
08/07/2001	113.73
08/08/2001	116.21
08/09/2001	203.76
08/10/2001	186.24
08/11/2001	93.75
08/12/2001	56.59
08/13/2001	76.21
08/14/2001	241.26
08/15/2001	131.51
08/16/2001	151.21
08/17/2001	131.23
08/18/2001	96.21
08/19/2001	96.20
08/20/2001	56.27
08/21/2001	96.28
08/22/2001	131.28
08/23/2001	133.71
08/24/2001	238.72

08/25/2001	151.23
08/26/2001	76.18
08/27/2001	111.21
08/28/2001	133.69
08/29/2001	56.14
08/30/2001	113.71
08/31/2001	111.25
09/03/2001	28.11
09/05/2001	28.07
09/07/2001	58.12
09/08/2001	28.12
09/11/2001	28.10
09/13/2001	58.09
09/14/2001	152.38
09/14/2001	28.08
09/15/2001	187.40
09/15/2001	28.15
09/16/2001	58.08
09/17/2001	28.10
09/18/2001	28.10
09/19/2001	83.08
09/20/2001	28.35
09/21/2001	58.08
09/22/2001	28.14
09/23/2001	28.08
09/24/2001	28.08

Lexis/Nexis Total**5,546.58****Facsimile Charges**

09/09/2001	FAX # 570-1803	3.00
09/09/2001	FAX # 570-1803	3.00
09/09/2001	FAX # 570-1803	3.00
09/10/2001	FAX # 202-371-6601	74.00

Facsimile Charges Total	83.00
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Travel Expenses - Transportation

09/30/2001	AMEX RASKIN/ROBERT A NYP WIL NYP on 08/01/2001	182.00
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Travel Expenses - Transportation Total	182.00
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Word Processing - Logit

09/04/2001		60.00
09/06/2001		18.00
09/06/2001		66.00
09/09/2001		60.00
09/09/2001		54.00

Word Processing - Logit Total	258.00
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Bill Disbursement Summary

Outside Messenger Service	\$ 53.30
Meals	8.38
Local Transportation	189.11
Long Distance Telephone	65.45
Duplicating Costs-in House	390.20
Postage	4.80
Process Service & Calendar Watch	2.50
Word Processing	18.00
Lexis/Nexis	5546.58
Facsimile Charges	83.00
Travel Expenses - Transportation	182.00
Word Processing - Logit	258.00

Total Disbursements/Charges	6,801.32
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EXHIBIT D

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & CO., <u>et al.</u> , ¹)	Case No. 01-01139 (JJF)
)	(Jointly Administered)
Debtors.)	

AFFIDAVIT

[illegible]

KENNETH PASQUALE, being duly sworn, deposes and says:

1. I am a member of the firm of Stroock & Stroock & Lavan LLP (“Stroock”), which firm maintains offices for the practice of law at 180 Maiden Lane, New York, New York 10038-4982. Stroock has acted as counsel to and has rendered professional services on behalf of the Official Committee of Unsecured Creditors (the “Committee”) of W. R. Grace & Co., and

1 The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food >N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

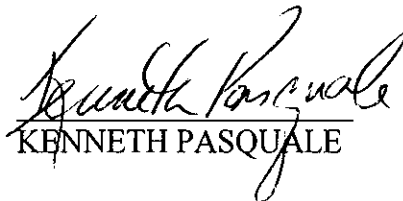
sixty-one of its domestic subsidiaries and affiliates which are debtors and debtors-in-possession before this Court.

2. This affidavit is submitted pursuant to Bankruptcy Rule 2016(a) in support of Stroock's second quarterly interim verified application for compensation and for the reimbursement of expenses for services rendered during the period from July 1, 2001 through and including September 30, 2001 in the aggregate amount of \$219,939.07.

3. All services for which compensation is requested by Stroock were professional services performed for and on behalf of the Committee from July 1, 2001 through and including September 30, 2001 and not on behalf of any other person.

4. In accordance with Title 18 U.S.C. Section 155, neither I nor any member or associate of my firm has entered into any agreement, express or implied, with any other party-in-interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' assets.

5. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm, or any member or associate thereof, on the one hand, and any other person, on the other hand, for division of such compensation as my firm may receive for services rendered in connection with these cases, nor will any division of fees prohibited by Section 504 of the Bankruptcy Code be made by me or any partner or associate of my firm.


KENNETH PASQUALE

Sworn to before me this
31st day of October, 2001


Notary Public

LISA C. TAKOUDÉS
Notary Public, State of New York
No. 02TA6031583
Qualified In New York County
Commission Expires October 04, 2005